SECOND CONTINUING APPROPRIATIONS (2nd Bill)/Passage

SUBJECT: Second Continuing Appropriations Bill for fiscal year 1996 . . . H.J. Res. 122. Passage.

ACTION: JOINT RESOLUTION PASSED, 60-37

SYNOPSIS: As introduced and passed, H.J. Res. 122, the Second Continuing Appropriations Bill for fiscal year 1996 (the President vetoed an earlier second continuing appropriations bill; see vote No. 567), will provide limited funding through December 5, 1995 for Federal programs that have not yet had fiscal year (FY) 1996 appropriations enacted for them. The rate of appropriations will be the lowest of the current rate or the Senate- or House-passed rate. Programs and activities terminated or significantly reduced will be maintained at a rate not to exceed 60 percent of the current rate. Rates will be adjustable further to prevent reductions in force. Section 301 will commit the President and the Congress to achieving a unified balanced budget by 2002, as scored by the Congressional Budget Office (CBO).

NOTE: The Senate subsequently agreed by unanimous consent to vitiate third reading and final passage of the resolution. It then agreed by voice vote to a substitute amendment to the bill and passed the bill by voice vote. As passed the second time, the bill will provide limited funding through December 15, 1995 for Federal programs that have not yet had fiscal year (FY) 1996 appropriations enacted for them. The rate of appropriations will be the lowest of the current rate or the Senate- or House-passed rate. Programs and activities terminated or significantly reduced will be maintained at a rate not to exceed 75 percent of the current rate. Rates will be adjustable further to prevent reductions in force. Most importantly, the resolution will contain language stating that Congress and the President give their word that they will balance the budget in 7 years using CBO numbers. That language is as follows: "COMMITMENT TO A SEVEN YEAR BALANCED BUDGET (a) The President and the Congress shall enact legislation in the first session of the 104th Congress to achieve a balanced budget not later than fiscal year 2002 as estimated by the Congressional Budget Office, and the President and the Congress agree that the balanced budget must protect future generations, ensure Medicare solvency, reform welfare, and provide adequate funding for Medicaid, education, agriculture, national defense, veterans, and the environment. Further, the balanced budget shall adopt tax policies to help working families and to stimulate future economic growth. (b) The balanced budget agreement shall be estimated by the Congressional Budget Office based on its most recent current economic

(See other side)

YEAS (60)			NAYS (37)			NOT VOTING (2)	
Republicans Democrats (53 or 100%) (7 or 16%)		Republicans	Democrats		Republicans Democrats		
		(7 or 16%)	(0 or 0%)	(37 or 84%)		(0)	(2)
Abraham Ashcroft Bennett Bond Brown Burns Campbell Chafee Coats Cochran Cohen Coverdell Craig D'Amato DeWine Dole Domenici Faircloth Frist Gorton Gramm Grams Grassley Gregg Hatch Hatfield	Helms Hutchison Inhofe Jeffords Kassebaum Kempthorne Kyl Lott Lugar Mack McCain McConnell Murkowski Nickles Pressler Roth Santorum Shelby Simpson Smith Snowe Specter Stevens Thomas Thompson Thurmond Warner	Baucus Bradley Feingold Feinstein Moseley-Braun Robb Simon		Akaka Biden Bingaman Boxer Breaux Bryan Bumpers Byrd Conrad Daschle Dodd Dorgan Exon Ford Glenn Graham Harkin Heflin	Hollings Inouye Johnston Kennedy Kerrey Kerry Kohl Lautenberg Leahy Levin Lieberman Mikulski Murray Pell Pryor Reid Rockefeller Sarbanes Wellstone	EXPLANAT 1—Official I 2—Necessar 3—Illness 4—Other SYMBOLS: AY—Annou AN—Annou PY—Paired PN—Paired	nced Yea nced Nay Yea

VOTE NO. 581 NOVEMBER 16, 1995

and technical assumptions, following a thorough consultation and review with the Office of Management and Budget, and other government and private experts." The bill was signed by the President on November 19, the same day that it passed the Senate.

Those favoring final passage contended:

Will Senators agree to balance the budget? That is the question that is before us. No excuses, no sideshow debates, no fingerpointing--the time has come to agree to put aside partisanship. For the good of the country, Senators, and most importantly the President, need to make this commitment and then prove their word means something by agreeing to a balanced budget plan.

This bill will provide continuing appropriations for those functions of the Government for which fiscal year 1996 appropriations bills have not yet been signed. However, as important as the need is to pass continuing appropriations, Senators are aware that the debate is really about a far more serious matter--whether Democrats are going to agree to work with Republicans on developing an honest balanced budget plan as scored by the Congressional Budget Office. At this point in the debate, every Senator understands the basics: the national debt is threatening to bankrupt America; interest payments on the debt are already leading to severe cuts in needed defense and social spending; entitlement spending on four programs (Social Security, Medicare, Medicaid, and Federal retirement) plus interest will soon consume all Federal revenues, with nothing left over for defense, agriculture, education welfare, or any other purpose; and absent any reforms deficit spending will continue until the Government is bankrupt. Also, every Senator is aware that the Republicans have stepped up to the plate with an honest plan to balance the budget by limiting the rate of growth of Federal spending to 3 percent, and every Senator is aware that this proposal is unique in that it will slow the rate of growth of entitlement spending. Democrats have offered plenty of criticism but few constructive proposals. They are hamstrung by their party leader, President Clinton, whose goal appears to be to do nothing to stop deficit spending.

Last week, he vetoed two bills—a continuing resolution bill and a debt limit extension bill. He confined his excuse mostly to an item on the continuing resolution bill, the continuation of the Medicare Part B premium at its present rate. That issue should not have been objectionable to him, seeing as how he made a similar proposal in his budget. The truth, unfortunately, is that the President was just using that provision as a smokescreen. The only truly critical item that was attached to either bill was the insistence that he and Congress commit to balancing the budget in 7 years as scored by the CBO. Of course, the President would not mind making that commitment if he were allowed to use his own peculiar scoring methods, but he has resisted mightily any suggestion that he should use the CBO's honest numbers. After President Clinton vetoed the debt limit bill, Secretary of the Treasury Rubin announced that the Government would raid Federal pension trust funds in order to allow the Government to go deeper into debt without exceeding the debt limit. On November 19, he authorized the "conversion to cash" of the entire \$21.5 billion of holdings in the Federal employees' Thrift Savings Plan (TSP) by failing to reinvest them in Treasury securities when they matured. He also authorized the "disinvestment" of \$39.8 billion from the \$375 billion Civil Service retirement trust fund (which is already underfunded by \$540.1 billion). Legally (though certainly not ethically), the Clinton Administration can get away with this theft from Federal employees' pension funds, but any private employer who engaged in similar actions would be subject to massive fines and imprisonment. Under President Clinton's current deficit spending plans, this raid on employee pension funds will make it possible for the Clinton Administration to stay under the debt limit until May of 1997.

Now the only leverage that Congress has over the President are the remaining appropriations bills. If he can get them signed into law without agreeing to balance the budget, he will not have to negotiate with Congress until next year's appropriations bills come up. He will be free to deficit spend by raiding Federal retirement funds, and the country will continue careening toward bankruptcy. It is therefore absolutely imperative that we do not sign business-as-usual appropriations bills. We are not willing to approve continuing resolutions for the remaining bills at their last year's levels, because that would be an endorsement of the current bankrupt policies. This continuing appropriations bill, appropriately, has substantially reduced funding. This lower funding is intended to pressure the President into accepting our one non-negotiable demand: balance the budget in 7 years using CBO numbers.

Republicans have offered a plan to save America from bankruptcy--President Clinton's plan appears to be do nothing. President Clinton's plan is totally unacceptable to Republican Senators, and we are certain to a large number of Democratic Senators as well. Though we Republicans know that Democrats are unlikely to join us on this vote, we suspect that eventually, if President Clinton does not relent, many of them will join Republicans in passing a compromise balanced budget plan over his objections.

Those opposing passage contended:

Hundreds of thousands of Federal workers are home without pay, and millions of Americans who rely on services from those workers are being left in need. The reason is that Republicans are using them as pawns in their political games. Republicans have failed to pass all of fiscal year 1996's appropriations bills, making first one, and now another, continuing appropriations bill necessary. A second bill was passed by Congress right before funding ran out on the first bill. That bill was loaded with objectionable features. The President rightly vetoed it. Consequently, workers were furloughed, and we now have another continuing resolution bill from our Republican colleagues before us. This bill contains insufficient funding, plus it demands a balanced budget in 7 years as scored by the CBO. The CBO's estimates are too conservative. We will therefore vote against this bill.

NOVEMBER 16, 1995 VOTE NO. 581